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Subject: Comments on ENERGY STAR Water Heaters

Richard-

Thank you for the opportunity to comment on the proposed ENERGY STAR labeling for water heaters. I have collected comments from stakeholders here in Vermont and have summarized them below.

I think Stephanie Jones from CEE did a good job capturing the three themes of our comments. I will elaborate on her comments and provide some additional ones.

1. Brand Integrity - Some of the proposed qualifying technologies would lead to savings of approximately 5% or less of annual energy use. Applying the ENERGY STAR brand to products that can save from 5% to 60% on the same base operating costs, gives an impression of equal efficiency, thereby diluting the value of the brand.

The ENERGY STAR brand is associated with the most efficient technology in the market place, for water heaters this would be the heat pump and solar technologies. Perhaps the ENERGY STAR should be given only to these technologies. At the very least these technologies should be included in the specification at the onset instead of being phased in over time.

2. Confusion in the Marketplace - An ENERGY STAR program will most likely include both electric and gas technologies, creating the potential for consumers to assume that two ENERGY STAR-labeled units that use different fuels will yield similar cost savings and environmental benefits. This does a disservice to consumers if they choose an ENERGY STAR-labeled unit of one fuel type that ends up costing them more to operate than a non-labeled unit of another fuel type.

Specifically using the energy factor rating to determine an electric water heater's relative efficiency does not take into account the generation and transmission losses associated with the production of the electricity. The current energy factor calculation yields a skewed comparison between electric and fossil fuel water heaters in regards to the total resources (Btu) input.

Also the use of various energy factors based on fuels is understandable, but the confusion between different fuel choices poses difficulty for consumers that have 2 more fuel choice options. In space heating, for example, the AFUE is the barometer regardless of fuel type.

3. Timing - The federal standard for water heater is also set to change in January 2004, which should cause a significant change in the array of unit performance. Establishing a performance level based upon the current mix of unit performance levels may yield a specification that is inconsistent with the general guidance of ENERGY STAR to represent the most efficient models available in the market and may result in less savings.

It may be worth requiring that all fossil fuel fired water heaters be vented directly to the outdoors, preferably mechanically vented.

Again thank you for the opportunity to comment.

Sincerely,

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